

Form RD 3550-25
(Rev. 8-04)

RURAL DEVELOPMENT

SUBJECT: Loan Closing Instructions and Loan Closing Statement RD ACCOUNT NO: _____ (1)

FOR: _____ (2) LEVERAGED/PARTICIPATION LOAN:

Name of Borrower(s) (3) (1) _____ \$ _____

TO: _____ (3) (2) _____ \$ _____

Name of Closing Agent/Attorney (3) _____ \$ _____

Reference is made to Form RD 1927-4, "Transmittal of Title Information," dated _____ (5).

Loan funds will be deposited in your escrow account via Automated Clearing House (ACH) transfer on or before the proposed closing date of _____ (6), 20____. **Please notify the Rural Development local office if there are any changes in the proposed/actual closing date.** Funds must be handled pursuant to RD Instruction 1927-B (7 CFR Part 1927, Subpart B) and other instructions enclosed. A U.S. Treasury Check may be remitted for special circumstances.

Notify the applicant of all loan closing requirements and arrange for closing not later than five (5) working days of the date the loan funds are transferred to your account. If the loan is not closed by that date, the loan funds will be removed electronically from your escrow account.

Our requirements regarding the exceptions in your preliminary title opinion or title insurance binder No. _____ (7) dated _____, 20____ are as follows:

No. _____ must be removed.

No. _____ must be changed as follows: _____

No. _____ must be subordinated to the lien of the United States which will be created at loan closing.

No. _____ may remain ahead of the lien of the United States which will be created at loan closing.

The requirements checked below must be met at or before loan closing:

Verify balances secured by liens referred to in the following exceptions:

(8) No. _____ must not exceed \$ _____ at loan closing.

No. _____ must not exceed \$ _____ at loan closing.

No. _____ must not exceed \$ _____ at loan closing.

Applicant must have provided to Rural Development a paid in full receipt for a one-year standard fire and extended coverage insurance policy or binder, and flood insurance, if applicable.

Written evidence that the water system is acceptable.

Written evidence that the waste disposal system is acceptable.

Termite and Pest Certification.

Survey

Other

Rural Development loan funds of \$ _____ (9), Leveraged/Participation funds of \$ _____, plus \$ _____ (estimate) of borrower's personal funds required by Rural Development to be deposited in escrow with you will be disbursed as follows:

(10)

Pay \$ _____ to _____

Pay a sum not exceeding \$ _____ (11) for borrower's share of closing costs. You are to deposit the balance of funds in a countersignature bank account by making a check payable to the borrower and endorsed as follows: "For deposit only in my supervised bank account in _____ (12) pursuant to Deposit Agreement dated _____ (13)." The endorsed check is to be attached to the enclosed Form RD 402-1 and delivered to the designated bank.

(see reverse)

- PROCEDURE FOR PREPARATION : RD Instruction 1927-B.
- PREPARED BY : System generated form processed by authorized personnel.
- NUMBER OF COPIES : Original and two copies.
- SIGNATURES REQUIRED : Loan approval official.
- DISTRIBUTION OF COPIES : Original and one copy to Closing Agent/Attorney; copy retained by field office. Signed copy returned to field office by Closing Agent/Attorney after loan is closed.

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The following instruments and forms must be completed and executed at, or before, loan closing. Immediately after loan closing, the Closing Agent/Attorney will overnight the originals to the local Rural Development Office (except ones that must be recorded) AND overnight copies to the following address: CENTRALIZED SERVICING CENTER (CSC), ATTN: FC 246B-NEW LOANS SET-UP SERVICES, 1520 Market Street, FC-202, St. Louis, MO 63103 (mailing label attached). IF RESCISSION RIGHTS ARE APPLICABLE, HOLD ALL PAPERWORK UNTIL THE FUNDS ARE RELEASED, THEN MAIL.

(14)

Orig	No. of Copies	No. Signed	No. to CSC	No. to Field Office	Form Number	Form Name
					402-1	Deposit Agreement
					410-4	Uniform Residential Loan Application
					1924-19	Builder's Warranty (or acceptable 10-year Home Owner Warranty)
						Warranty Deed Quitclaim Deed
					1927-5	Affidavit Regarding Work of Improvement
					1927-10	Final Title Opinion
					1940-16	Promissory Note (signed copy)
						First Payment Coupon – (give to borrower)
					1940-43	Notice of Right to Cancel
					1940-59	Settlement Statement – (or acceptable equivalent) – (signed copy)
					1944-14 & 1944-6	Payment Assistance/Deferred Mortgage Assistance Agreement (signed copy to CSC does not have to be approved/signed by Rural Development to be included)
					3550-4	Employment Certification/Payment Assistance
					3550-12	Subsidy Repayment Agreement – (signed copy)
					3550-14	Real Estate Mortgage/Deed of Trust – (____ Condominium Rider , ____ Planned Unit Development Rider) – Must include legal description on all documents (unrecorded, signed copy)
					3550-15	Tax Information
						Homeowners Authorization Letter
					3550-17	Funds Transmittal Report (Check payable to Rural Development for total amount listed on form)
					3550-22	Assumption Agreement, Single Family Housing Loan (signed copy) Addendum to Assumption Agreement during Construction
					Envelope	Sealed and Labeled "Centralized Servicing Center"

THE FOLLOWING ARE APPLICABLE WHEN USDA IS TAKING A 2nd LIEN POSITION (LEVERAGED LOAN):

					1927-8	Agreement with Prior Lienholder
						Participating Lender's Promissory Note (signed copy)
						Participating Lender's Real Estate Mortgage or Deed of Trust – Must include legal description (unrecorded, signed copy)

This form, with the Loan Closing Statement below fully executed, must be returned to the Loan Approval Official.

(15)

Name of Loan Approval Official

Date

LOAN CLOSING STATEMENT (To be completed by Closing Agent/Attorney)

I certify that the subject loan was closed on (16) _____, in accordance with RD Instruction 1927-B and other written directions received from Rural Development. Enclosed are the properly executed forms in connection with loan closing. I further certify that copies of all applicable forms were sent by overnight mail to the Centralized Servicing Center in St. Louis, MO.

(17)

Name of Closing Agent/Attorney

Date

FOR Rural Development USE ONLY: I have examined the loan closing documents and determined that the loan was properly closed in accordance with instructions provided:

(18)

Name of Loan Approval Official

Date

INSTRUCTIONS FOR PREPARATION

System generated form. The user will:

- (1) Insert RD Borrower Account Number.
- (2) Insert applicant's name as it will appear on loan closing documents.
- (3) Insert the name of the Closing Agent/Attorney selected by the applicant.
- (4) Insert name and dollar amount of each leverage/participating lender. Insert "None" if applicable.
- (5) Insert the date Form RD 1927-4 was issued.
- (6) Insert the proposed loan closing date.
- (7) Fill in information as it appears on the preliminary title opinion or title insurance binder.
- (8) Check items that apply. Exception numbers are used as they appear on the preliminary title opinion or title insurance binder.
- (9) Insert dollar amount of all required funds.
- (10) Indicate the exact dollar amount of disbursements from Rural Development loan funds, leveraged/participation funds, and borrower funds, and the name of the recipients.
- (11) Insert the maximum amount that may be taken from loan funds to pay the Closing Agent/Attorney.
- (12) Insert the name of the bank that will hold the supervised bank account.
- (13) Insert the date of the Deposit Agreement.
- (14) Insert the number of originals, copies, signed copies, number to CSC, and the number of copies to be returned to the Field Office beside the corresponding form number.
- (15) Insert loan approval official's signature and the date signed.
- (16) Insert the closing date.
- (17) Insert the name of the Closing Agent/Attorney signing the form and the date signed.
- (18) The loan approval official signs and dates after examining and approving all loan closing requirements.